

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 896 - HB 1186

March 12, 2021

SUMMARY OF ORIGINAL BILL: Makes various changes to provisions governing the beneficiaries, jurisdictional governance, disbursements from principal, and administration of trusts. Effective October 1, 2021.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004455): Deletes and replaces all language after the enacting clause. Adds a provision which authorizes the trustee of a trust to register with the Secretary of State (SOS) with a \$250 filing fee and authorizes such registered trustee to obtain a certified copy of the registration with a \$100 filing fee.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Revenue – Exceeds \$7,000/FY21-22 and Subsequent Years/
Secretary of State**

Assumptions for the bill as amended:

- The courts will not experience an increase in caseloads; therefore, any impact to the court system is estimated to be not significant.
- Based upon information provided by SOS and the Banker Association, this trust registration is designed to assist with international trusts that need to officially register in order to be recognized as located in Tennessee.
- The exact figure of how many trustees will elect to register with the SOS is unknown, but it can be reasonably estimated that at least 20 will do so each fiscal year and that all of those will select to obtain a certified copy of the registration.
- Any increase in workload as a result of maintaining the registry can be accommodated within existing SOS resources and personnel.
- The increase in state revenue to the SOS in FY21-22 and subsequent years will exceed \$7,000 [20 x (\$250 + \$100)].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

/jg